

## Minute of Meeting Audit, Risk and Scrutiny Board

Date	Time	Venue
Monday, 16 March 2020	10:00	Corporate Meeting Room 1, Council Headquarters, Renfrewshire House, Cotton Street, Paisley, PA1 1AN

### Present

Councillor Bill Binks, Councillor Michelle Campbell, Councillor Neill Graham, Councillor John Hood, Councillor Jim Sharkey

### Chair

Councillor Binks, Convener, presided.

### In Attendance

L McIntyre, Head of Policy & Commissioning and M Moran, Assistant Economic Development Manager and Lead Officer (both Chief Executive's); J Mackie, Placement Team Leader and Lead Officer and C Doogan, Energy Team Leader and Lead Officer (both Communities, Housing & Planning Services); D Gillies, Head of Facilities Management and G Hannah, Infrastructure, Transportation & Strategic Change Manager (both Environment & Infrastructure Services); P Murray, Head of ICT, A McMahon, Chief Auditor, K Campbell, Assistant Chief Auditor, M Armstrong, Principal HR & OD Adviser, A Connor, Records Manager, C McCourt, Finance Business Partner and C MacDonald, Senior Committee Services Officer (all Finance & Resources).

### Also Attending

M Ferris (Audit Scotland).

### Apologies

Councillors Begg, Burns, Harte and Rodden.

## **Declarations of Interest**

There were no declarations of interest intimated prior to commencement of the meeting.

## **Order of Business**

In terms of Standing Order 16 the Convener intimated that he proposed to alter the order of business to facilitate the conduct of the meeting by taking exempt item 15 before item 1.

## **Exclusion of Press and Public**

The Board resolved that the press and public be excluded from the meeting during consideration of item 1 as it was likely, in view of the nature of the business to be transacted, that if members of the press and public were present, there would be disclosure to them of exempt information as defined in paragraph 1 of Part I of Schedule 7A of the Local Government (Scotland) Act 1973.

### **1 Summary of Internal Audit Investigations for Period 01 October to 31 December 2019**

There was submitted a report by the Chief Auditor relative to the requirement in terms of the Public Sector Internal Audit Standards (PSIAS) that Internal Audit reported on the findings and conclusions of audit engagements to the Board. The Appendix to the report provided a summary of the findings of an internal audit investigation.

**DECIDED:** That the summary of the Internal Audit Investigation finalised during the period from 1 October to 31 December 2019 be noted.

### **2 Internal Audit and Counter Fraud Progress and Performance for Period to 31 December 2019**

There was submitted a report by the Chief Auditor relative to Internal Audit and Counter Fraud performance from 1 October to 31 December 2019 in terms of the delivery of the Audit Plan for the year and outlining actual performance against targets set by the Director of Finance & Resources.

No formal performance targets for fraud investigation had been established as a major part of the team's work involved being the single point of contact for the Department for Work and Pensions (DWP) Single Fraud Investigation Service. It was noted that the focus over the last year had been on increasing fraud awareness amongst employees to prevent fraud from occurring against the Council. The types of fraud referrals received to date were wide-ranging and the team's objective was to concentrate on investigating those referrals considered to contain the greatest fraud risk. The report also detailed the progress made against local and national initiatives involving Internal Audit and the Counter Fraud Team.

**DECIDED:** That the Internal Audit and Counter Fraud Team progress and performance to 31 December 2019 be noted.

### **3 Annual Internal Audit Plan 2020/2021**

There was submitted a report by the Chief Auditor relative to the 2020/21 risk-based Annual Internal Audit Plan which had been developed in line with the requirements of the Public Sector Internal Audit Standards.

The Plan took account of the outcomes of the internal corporate and service risk identification and evaluation processes and the current business environment. In addition to undertaking work which would provide assurance on the robustness of key internal controls, the Plan sought to reflect the key priorities and challenges for the Council.

The report set out the methods that had been employed to facilitate production of the Plan and the influencing factors that had been considered in the assessment of the current business environment and the priority areas of audit.

**DECIDED:**

(a) That the content of the risk-based audit plan for 2020/21 be approved; and

(b) That it be noted that the progress of the 2020/21 annual audit plan and summaries of the findings from each audit assignment would be reported to the Board on a quarterly basis.

### **4 Compliance with the Code of Corporate Governance**

There was submitted a report by the Chief Auditor relative to the Council's Code of Corporate Governance.

It was noted that the Director of Finance & Resources had responsibility for reporting annually to the Board in compliance with the Code and any changes to the Code that might be necessary to maintain it and ensure its effectiveness in practice. In addition, the Council's Chief Auditor had responsibility to review independently and report to the Board annually to provide assurance on the adequacy and effectiveness of the Code and the extent of the Council's compliance.

The report intimated that Internal Audit had reviewed the effectiveness of the revised Code which operated during 2019/20 and confirmed that the Council complied with its requirements and had confirmed that it was evident that the Code had been subject to review and updating. The Director of Finance & Resources had endorsed the Chief Auditor's recommendation that the local Code should continue to be subject to annual review to ensure that it continued to reflect developments and best practice in governance.

**DECIDED:** That the report be noted.

## 5 2018/19 Complaints Data

There was submitted a report by the Chief Executive relative to the annual complaints report 2018/19.

The report intimated that the Council's complaint-handling procedure ensured that the Council knew how well it was delivering its services and showed its commitment to using the issues raised in complaints to improve services. Full implementation of the Scottish Public Services Ombudsman's (SPSO) guidance commenced within the Council from 1 March 2013 which introduced quicker, simpler and more streamlined complaints handling with local, early resolution. As part of the procedure, all complaints resolved at the frontline were recorded and monitored and in line with the model SPSO complaints handling procedure, Renfrewshire Council's complaints handling procedure complied with the model Complaints Handling procedure for local authorities introduced by the SPSO at that time.

It was noted that 8,200 complaints were received in 2018/19, which was an increase from 6,752 in 2017/18; 89% of the complaints were handled at the frontline stage; 77.5% of frontline complaints and 73.9% of investigation complaints received were completed within target timescales; the average time to respond to an investigation complaint was 15 days, which was within the Scottish Public Services Ombudsman (SPSO) target of 20 days; 47 of complaints for 2018/19 were reported to the SPSO, of the 47 reported, one was upheld and one was partly upheld; 2018/19 breakdown of complaints received by services was broadly reflective of the volume of services provided, with Environment and Infrastructure Services delivering the highest volume of frontline Council services and consequently receiving the highest volume of customer interactions; the internal review identified the requirement to revise the Complaint Handling Procedure (CHP) and an opportunity to update the provision of training and guidelines for officers, for social work complaints to be in line with the council-wide procedure and for a more robust system to support the logging of and learning from complaints; and the next stage of the complaints review would be to drive improvement and improve performance, which would be underpinned by a new council-wide system.

It was noted that the Council's CHP used a two-stage process, and this was detailed within the report. Appendix 1 provided information on the complaints closed during the period 1 April 2018 to 31 March 2019 and Appendix 2 detailed the Council's performance for 2018/19 against key SPSO performance indicators.

**DECIDED:** That the report be noted.

## 6 Local Government Benchmarking Framework 2018/19

There was submitted a report by the Chief Executive relative to the Local Government Benchmarking Framework (LGBF) performance data for all Scottish local authorities.

The report advised that the Framework was a high-level benchmarking tool which allowed local authorities to compare their performance across a wide range of key service areas such as education, housing, and adult social care. The Council had participated in the development of the LGBF since its inception in 2010, with the Framework now expanded to 90 indicators. The purpose of the Framework was to support evidence-based comparisons and encourage shared learning and improvement.

The report provided an overview of Renfrewshire's performance for 2018/19, as well as outlining the wider context and trends for local authorities across Scotland. Detailed information relating to the performance of similar councils which had been placed into a 'family group' with Renfrewshire Council and further context on performance across the broad service areas was contained in the appendix to the report.

**DECIDED:** That the report be noted.

## **7 Audit Scotland Annual Audit Plan 2019/20**

There was submitted a report by the Director of Finance & Resources relative to Audit Scotland's Annual Audit Plan 2019/20, a copy of which was appended to the report.

The report intimated that the audit plan outlined Audit Scotland's approach to the audit of the 2019/20 financial statements of the Council and the charities it controlled in order to assess whether they provided a true and fair view of the financial position of the Council, and also whether they had been prepared in accordance with proper accounting practice. The Plan outlined the responsibilities of Audit Scotland and the Council, their assessment of key challenges and risks, and the approach and timetable for completion of the audit.

**DECIDED:** That the report and Audit Scotland's Annual Audit Plan 2019/20 be noted.

## **8 Audit Scotland - Preparing for Withdrawal from the European Union**

There was submitted a report by the Chief Executive relative to Audit Scotland's briefing paper on how the Scottish public sector had been preparing for European Union (EU) withdrawal. A copy of which was attached as Appendix 2 to the report.

The report advised that the briefing looked at Audit Scotland's work, knowledge of the public sector, published material and engagement with key stakeholders over the last 18 months. It highlighted key messages, provided illustrations of the impact that preparing for withdrawal from the EU has had on public bodies and suggested questions for public bodies to ask themselves about their ongoing preparations for EU withdrawal. An outline of Council activity relating to each of the questions was included as Appendix 1. The report noted that previous council papers had highlighted the range of mitigating actions that had already been identified and put in place and those measures were monitored and updated as the national position in relation to EU withdrawal developed.

**DECIDED:**

(a) That Audit Scotland's key questions for public bodies as attached in Appendix 1 be noted; and

(b) That the activities being undertaken by council officers to prepare appropriately for EU withdrawal and the transition period, which were also detailed within the report be noted.

## **9 Councils for Fair Tax Declaration Scotland**

Under reference to Item 1 of the Minute of the meeting of this Board held on 20 January 2020, there was submitted a report by the Chief Executive which provided a summary of all available information with recommendations in relation to the Councils for Fair Tax Declaration Scotland.

The report advised that at the Council meeting on 26 September 2019, elected members considered a motion in relation to the potential adoption of the "Councils for Fair Tax Declaration". An initial report was submitted to the Board on 20 January 2020 which provided an overview of the information available to officers on the Fair Tax declaration and highlighted key initial areas for exploration and it was agreed that a final report would be submitted to the next meeting of the Board.

The report provided a summary of all available information and set out recommendations.

Councillor Binks, seconded by Councillor Graham, moved that the report be approved.

Councillor Sharkey, seconded by Councillor Hood, moved that recommendation (iii) be amended to read "Agree that Renfrewshire Council does formally adopt the Declaration at this time".

On the roll being called, the following members voted for the amendment: Councillors Sharkey and Hood.

The following members voted for the motion: Councillors Binks, Campbell, and Graham.

2 members having voted for the amendment and 3 members having voted for the motion, the motion was accordingly declared carried.

### **DECIDED:**

(a) That the information provided on the adoption of Councils for Fair Tax Declaration be noted;

(b) That it be noted that under the current Procurement Regulations the Council could exclude any organisation from participating in Council tenders if that organisation had not met all of its obligations relating to the payment of taxes or social security contributions; and

(c) That the recommendation that Renfrewshire Council did not formally adopt the Declaration at this time be agreed.

## **10 Absence Statistics - 2019/20 Quarter 3**

There was submitted a report by the Director of Finance & Resources relative to the Council's absence statistics for the period 1 October to 31 December 2019.

The report provided information in relation to absence targets and how services and categories of staff had performed against them. An analysis of the reasons for absence for the period was included in the report. Information was also provided on supporting

attendance activity levels by service and costs of sick pay and the overall number of days lost.

**DECIDED:** That the report on absence statistics for the period 1 October to 31 December 2019 be noted.

## **11 Records Management Plan Update**

There was submitted a report by the Director of Finance & Resources relative to a progress report on the Council's Records Management Plan (RMP).

The report advised that following the 2018 Public Records (Scotland) Act – Records Management Plan Progress Update Review ("PUR") completed in October 2018, the Council achieved Green status for 12 of the 14 elements assessed through the Records Management Plan. The Council had now received the draft response to the 2019 PUR and the feedback from the Assessment Team was positive with one of the two remaining amber elements being upgraded to green. The report indicated that progress was being made in the processing of the records held within the Corporate Records Store.

**DECIDED:**

(a) That the progress of the Council Records Management Plan, including the progressing of the Archiving element from amber to green be noted; and

(b) That the continued progress of the new Corporate Records Store be noted.

## **12 Conversion of Grassed Areas to Parking - Lead Officer Michael Moran**

Under reference to Item 9 of the Minute of the meeting of the Audit, Risk & Scrutiny Board held on 4 November 2019, there was submitted a report by the Lead Officer relative to an update on the review of conversion of grassed areas to parking.

The report outlined the purpose of the review and the current arrangements in respect of open space maintenance and repurposing of open spaces.

**DECIDED:** That the progress of the review be noted.

## **13 Review of Bus Deregulation and Effect on Transport Services in Renfrewshire - Lead Officer Jamie Mackie**

Under reference to Item 7 of the Minute of the meeting of the Audit, Risk & Scrutiny Board held on 20 January 2020, there was submitted a report by the Lead Officer relative to the review of bus deregulation and the effect on transport services in Renfrewshire.

The report advised that the review was undertaken as part of the annual programme of activity for 2018/19. The report detailed the findings and overall conclusions and a copy of the report to be submitted to Council on 7 May 2020 was attached as an appendix to the report.

Councillor Sharkey, seconded by Councillor Campbell moved that the report be continued for further information and submitted to the next meeting of the Board. This was agreed unanimously.

**DECIDED**: That it be agreed that report be continued for further information and submitted to the next meeting of the Board.

#### **14 The Effectiveness of Fair Trade within Renfrewshire - Lead Officer Craig Doogan**

Under reference to Item 6 of the Minute of the meeting of the Audit, Risk & Scrutiny Board held on 4 November 2019, there was submitted a report by the Lead Officer relative to the review of the effectiveness of Fair Trade within Renfrewshire.

The report advised that the review was undertaken as part of the annual programme of activity for 2018/19. The report detailed the findings and overall conclusions and a copy of the report to be submitted to Council on 7 May 2020 was attached as an appendix to the report.

**DECIDED**: That it be agreed that the draft report attached as an appendix be approved for consideration by the Council on 7 May 2020.